

# Exhibit 3

\*\* CONFIDENTIAL TRANSCRIPT - ATTORNEYS' EYES ONLY \*\*

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION

SONY CORPORATION, A Japanese )

corporation, )

Plaintiff, )

vs. )

) SACV-08-01135

VIZIO, INC., ) RGK (FMOx)

) PAGES 1 - 49

Defendant. )

\_\_\_\_\_ )

TELEPHONIC MEET AND CONFER  
LOS ANGELES, CALIFORNIA  
FRIDAY, JULY 17, 2009

REPORTED BY:

LESLIE L. WHITE

CSR NO. 4148

JOB NO.: 23822

1       \*\* CONFIDENTIAL TRANSCRIPT - ATTORNEYS' EYES ONLY \*\*

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4                   JULY 17, 2009

5                   12:05 p.m.

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7  
8                   Telephonic Meet and Confer held at  
9                   555 South Flower Street, Fiftieth Floor,  
10                  Los Angeles, California, before Leslie L.  
11                  White, CSR No. 4148.

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2           A P P E A R A N C E S:

3  
4           QUINN EMANUEL URQUHART OLIVER &

5           HEDGES, LLP

6           ATTORNEYS FOR PLAINTIFF

7           865 South Figueroa Street

8           10th Floor

9           Los Angeles, California 90017

10          BY: RORY S. MILLER, ESQ.

11  
12  
13          QUINN EMANUEL URQUHART OLIVER &

14          HEDGES, LLP

15          ATTORNEYS FOR PLAINTIFF

16          51 Madison Avenue

17          22nd Floor

18          New York, New York 10010

19          BY: THOMAS PEASE, ESQ.

20          (Present telephonically)

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2           A P P E A R A N C E S:

3           QUINN EMANUEL URQUHART OLIVER &

4           HEDGES, LLP

5           ATTORNEYS FOR PLAINTIFF

6           50 California Street

7           22nd Floor

8           San Francisco, California 94111

9       BY: TODD KENNEDY, ESQ. -and-

10           PETER KLIVENS, ESQ.

11           (Present telephonically)

12  
13       JONES DAY

14       ATTORNEYS FOR DEFENDANT

15       555 South Flower Street

16       Fiftieth Floor

17       Los Angeles, California 90071

18       BY: STEVEN J. CORR, ESQ.

19  
20       JONES DAY

21       ATTORNEYS FOR DEFENDANT

22       901 Lakeside Avenue

23       Cleveland, Ohio 44114

24       BY: RYAN McCRUM, ESQ.

25       (Present telephonically)

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2                   I N D E X

3  
4                   TELEPHONIC MEET AND CONFER

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9                   E X H I B I T S

10                   (NONE OFFERED)

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2       LOS ANGELES, CALIFORNIA; FRIDAY, JULY 17, 2009

3                   12:05 p.m.

4                   -o0o-

5       MR. McCRUM: Let's go on the record.

6                   It's Ryan McCrum from Jones Day  
7       Cleveland on behalf of Vizio.

8       MR. CORR: And Steve Corr from Jones Day  
9       Los Angeles on behalf Vizio.

10       MR. MILLER: Here in L.A. it's  
11       Rory Miller from the Los Angeles office of  
12       Quinn Emanuel on behalf of Sony.

13       MR. PEASE: And here in New York Tom  
14       Pease from Quinn Emanuel, also on behalf of  
15       Sony.

16       MR. KENNEDY: Todd Kennedy in  
17       San Francisco, Quinn Emanuel, on behalf of  
18       Sony.

19       MR. KLIVENS: And also Peter Klivens,  
20       San Francisco Quinn Emanuel on behalf Sony.

21       MR. McCRUM: Was that everyone?

22       MR. CORR: That's everyone, Ryan.

23       MR. McCRUM: This is Ryan McCrum. Why  
24       don't we start at the top here. I don't  
25       anticipate today going very long, but that's

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2       usually my hope, and they tend to go longer  
3       than I would expect.

4               But why don't we go ahead.

5       The first item in the letters that we  
6       exchanged is interrogatory No. 1. I don't  
7       think we need to spend a lot of time on this.

8               I got your letter, Todd, from last  
9       night. Vizio is of the position that the  
10      parties are at an impasse on this. Obviously  
11      you folks disagree.

12              I don't know what else to say on  
13      this. Vizio obviously feels like we have been  
14      around in circles on this a number of times,  
15      and that the parties are at an impasse, and  
16      there is not much also to say on this.

17              MR. PEASE: Ryan, this is Tom. I don't  
18      understand how you can say we're at an impasse  
19      when we have done everything you have asked us  
20      to do. You know, we have now supplemented  
21      that interrogatory response twice, and agreed  
22      to supplement it again on, I believe  
23      July 31st.

24              Our first supplement you complained  
25      that additional information should be set



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2       forth, based on the User Manuals. We went  
3       back and supplemented information to include  
4       information that was in the User Manuals.

5               We also, at your request, went back  
6       and actually pared down the information  
7       because you said it was unreadable, and, you  
8       know, used "See Also" type sites to additional  
9       User Manuals, rather than quoting them and  
10      cutting and pasting them into the document.  
11      We did that.

12             We also went back, at your request,  
13      and included information that has been set  
14      forth in Claim Charts that have been shown to  
15      Vizio before the lawsuit was filed.

16             And now you have produced -- Vizio,  
17      that is -- has produced Service Manuals, and  
18      we have agreed to supplement on July 31st to  
19      include the information set forth in the  
20      Service Manuals.

21             We have also told you that once we  
22      get from Vizio and the third parties the  
23      additional information that is clearly  
24      responsive to our requests -- and that  
25      includes firm ware, chip specifications and

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2       the like -- we will again supplement to take  
3       into account that additional information.

4               So when you say we're at an impasse,  
5       it's hard for us to know what you mean because  
6       we have gone back and done everything that you  
7       have requested, on the time tables that you  
8       agreed on.

9               And so, you know, you're going to be  
10      getting additional information in the charts  
11      relating to the Service Manuals on July 31st,  
12      and, you know, depending on when we get the  
13      additional information we have requested, we  
14      will go back and supplement to include that  
15      information.

16              You know, I am not going to go into  
17      the deficiencies of Vizio's production at this  
18      point, but we have noticed that after we  
19      negotiated a Protective Order to include  
20      specific source code protections, you know,  
21      we're now months into this case, months since  
22      we served our discovery requests, and we  
23      haven't seen any source code of any kind from  
24      Vizio.

25              Now, we looked at your documents,

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2       and we have seen documents that show that  
3       Vizio engineers do, in fact, have access to  
4       source code and firm ware and the like, and  
5       you haven't produced it.

6               We also haven't seen a single chip  
7       specification. You know, is it Vizio's  
8       position that it does not have any Media Tech  
9       documentation at all, or is it simply Vizio's  
10      position that we should go get it directly  
11      from Media Tech, and that you're not going to  
12      produce it?

13      MR. MCCRUM: This is Ryan McCrum.

14             Well, Tom, you prefaced this by, "I  
15      am not going to get into alleged deficiencies  
16      in Vizio's production," and then you rambled  
17      on about all of these alleged deficiencies.  
18      So I think we all know what we're here to talk  
19      about today.

20             This is a meet-and-confer on the  
21      deficiencies in Sony's discovery responses.  
22      So I don't want to get into your allegations.  
23      You have asked for a meet-and-confer on those  
24      issues, and I'm happy to talk to you about  
25      those after we have considered your letter,

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2       and after we responded with our own letter, if  
3       a meet-and-confer is still necessary during  
4       that meet-and-confer.

5               But what I will say, Tom -- and we  
6       have told you this numerous times -- we have  
7       given you all the documents that we have in  
8       our possession that are relevant and  
9       responsive. We do not have source code. We  
10      are double and triple checking that to be sure  
11      because this is obviously a sensitive issue  
12      with you, but we have asked, we have looked as  
13      hard as we can for it, we will continue to,  
14      but it shouldn't be a surprise to you, Tom,  
15      given Vizio's position and its business, that  
16      it doesn't have the source code.

17             We have told you numerous times you  
18      need to go to Media Tech to get that. We have  
19      noticed that Sony has subpoenaed everyone  
20      under the sun except Media Tech, even though  
21      Media Tech supplies over 90 percent of the  
22      chips used in Vizio's products.

23             So you're barking up the wrong tree.  
24      You need to go to Media Tech.

25             We have asked you numerous times:

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2       Do you plan to Subpoena Media Tech? I ask you  
3       again, do you plan to Subpoena Media Tech?

4       MR. PEASE: The answer is procedurally, I  
5       don't know if a Subpoena is going to be the  
6       format that Sony uses to get documents from  
7       medical. Media Tech is a Taiwanese company  
8       with a California office, and one concern that  
9       Sony has is not to be asking Media Tech for  
10      documents that Vizio engineers have access to  
11      in the ordinary course of business.

12             So I have noticed that your last  
13      sentence was very carefully worded to say,  
14      "It's not in Vizio's possession." But the  
15      case law doesn't limit your discovery  
16      obligations to documents that are  
17      quote-unquote "in Vizio's possession." It's  
18      documents in Vizio's possession, custody and  
19      control, and it's going to include documents  
20      that are made available to Vizio. It's also  
21      going to include -- you know, if Media Tech  
22      has made available documents to Vizio's  
23      counsel, you know, as part of your  
24      representation of this case, you know, those  
25      are subject to our document requests too, and

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2       we expect you to produce it.

3           MR. McCRUM: They haven't made them  
4       available to us. We don't have them. Media  
5       Tech has them.

6           And your concern about: You know,  
7       we haven't decided where we're going to get  
8       these from, we're going to try to get these  
9       through Vizio, that hasn't stopped you from  
10      subpoenaing all these other companies.

11          If your approach was that you want  
12      to get to these documents through Vizio, why  
13      did you go Subpoena everyone else? They are  
14      in the same position.

15          So you have got to go to Media Tech.  
16      We are running out of time. You guys have  
17      imposed this aggressive schedule. We have a  
18      trial set for January. We are several months  
19      into discovery, we are more than eight months  
20      after you filed your Complaint, and there is  
21      no effort whatsoever from Sony to get these  
22      documents from the people -- the company that  
23      has them. It's Media Tech. I told you a  
24      million times. You need to go there.

25          So I suggest you do what you have

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2       done with all these other companies and  
3       subpoena the U.S. presence Media Tech and get  
4       the information that you're trying to get from  
5       us. We don't have it. As you know they have  
6       got an office in California. They got an  
7       office in Austin, Texas. They have got an  
8       office in Boston.

9               Go do what you did with these other  
10       companies and subpoena those U.S. entities.  
11       But, you know, I just can't -- I don't know  
12       why you're not going to the company that  
13       supplies over 90 percent of our chips, and yet  
14       you spend all this time and energy on these  
15       other third parties.

16       MR. PEASE: First of all, I disagree with  
17       your characterization. I am going to ask you  
18       about the same question about AmTran, namely,  
19       you know, is it Vizio's position that it is  
20       not going to produce AmTran documents that are  
21       in Vizio's possession or to which Vizio  
22       engineers have access in the ordinary course  
23       of business?

24       MR. McCRUM: Look, Tom, we have talked  
25       about this enough already. These are issues

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2       raised in your letters relating to your meet  
3       and confer, and this is not the right time to  
4       talk about it.

5           MR. PEASE: The reason I bring it up is  
6       you said we're at an impasse with respect to  
7       the information -- I read your letter again --  
8       with respect to the information set forth in  
9       Sony's User Manuals.

10           We want to know: What is the  
11       impasse? What additional information from our  
12       User Manuals do you think we haven't disclosed  
13       at this point?

14           MR. MCCRUM: This is Ryan McCrum.

15           The issue has always been, Tom, that  
16       these Claim Charts just basically throw  
17       everything but the kitchen sink at Vizio  
18       without any effort to specifically identify  
19       how each limitation is satisfied by the  
20       various portions of these User Manuals and  
21       other documents.

22           The problem is you are pointing to,  
23       you know, a dozen different things for each  
24       claim limitation, all of which are different,  
25       and there is no indication from your Claim



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2       Charts which of those dozen things you're  
3       relying on as satisfying claim limitations,  
4       and for many of the claim limitations, it's  
5       the same dozen things over and over again.

6               So we don't know from one limitation  
7       to another what Sony is claiming is satisfying  
8       these claim limitations. That has been our  
9       problem from day one.

10              Yes, we appreciate the fact that you  
11       have gone back and tried to supplement, and  
12       you have said you're going to supplement --  
13       the first supplementation, by the way, just so  
14       the record is clear, was wholly  
15       nonsubstantive. All you did was revise a  
16       couple of Bates numbers. There was no  
17       substantive change at all, so that one doesn't  
18       even count.

19              But the point is you have not  
20       specifically addressed that concern, which has  
21       been the concerns since day one. That's why  
22       Vizio feels we are at an impasse. We have  
23       asked for that numerous times, and it has not  
24       been sufficiently addressed by Sony, and there  
25       is no reason to believe that there will be,

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2       and we deep dragging this out further and  
3       further. Now, you know, we're four months  
4       after we served these things, and we still  
5       don't feel like we have had an adequate  
6       response.

7               So at the end of the day we feel we  
8       are at an impasse. We are considering our  
9       options right here. Quite candidly, I don't  
10      know if it's going to be a Motion to Compel.  
11      The other thing, which should be no secret to  
12      you, is a Rule 11 motion, and you will see --  
13      I want to raise this today -- we are serving a  
14      30(b)(6) notice on Sony, and the first topic  
15      of that is going to be the Rule 11 basis for  
16      making these infringement allegations.

17             And while we are willing to work  
18      with Sony on dates for depositions, I want it  
19      to be clear to Sony that that is one that we  
20      want as early as possible.

21             The others, you know, we can work  
22      around people's schedules, but that is one  
23      that we're going to be pushing to get as early  
24      as we can. So that's where we stand on this  
25      one. You know, I don't have anything further

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2       to say on it.

3       MR. PEASE: Obviously we disagree.

4       Go ahead, I am done.

5       MR. KENNEDY: Ryan, this is Todd Kennedy.

6       I think part of the issue is that the only  
7       information that Sony has had to include in  
8       these Claim Charts so far has been the User  
9       Manuals, and inherently User Manuals are a  
10      broad overview of the product. So it's a  
11      little disingenuous for Vizio to complain that  
12      the User Manual information in these Claim  
13      Charts is not specific enough.

14      If Vizio wants more specific  
15      information, then it should just wait until  
16      the end of the month when Sony includes  
17      information from the Service Manuals, which by  
18      their nature are a little more specific.

19      And, again, Sony has promised to  
20      supplement these Claim Charts after it has  
21      inspected Vizio's products and after it has  
22      received some source code and information  
23      about the processors and Vizio televisions.

24      So if the complaint is that the  
25      Claim Charts are not specific enough and don't

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2       identify the features specifically enough,  
3       then Vizio should just wait until Sony has had  
4       an opportunity to supplement.

5       MR. McCRUM: This is Ryan McCrum. That's  
6       fine. And, again, like I said, there is two  
7       issues here. There is the issue of, you know,  
8       our motion -- our potential Motion to Compel  
9       more sufficient answers, and the second issue,  
10      which we have been trying to get to the bottom  
11      of since we first raised this, was whether or  
12      not there was a sufficient basis to make these  
13      allegations even to begin with. And we, based  
14      on what we have seen, do not feel like, for at  
15      least some of the patents, that there was a  
16      sufficient basis to assert them against Vizio  
17      at the time that this Complaint was filed.

18      So, you know, that's the other issue  
19      that has been out there lurking from the very  
20      beginning and that Vizio will continue to  
21      investigate as we move forward.

22      MR. KENNEDY: This is Todd again.

23      I also wanted to respond to your  
24      comment that the June 8 supplementation, which  
25      is Sony's first supplementation of this

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2       interrogatory response was nonsubstantive. It  
3       was actually a quite substantive response.  
4       Sony looked at every single User Manual, again  
5       at Vizio's request. And based on that review  
6       of User Manuals Sony dropped entire Vizio  
7       products from its claim of infringement of the  
8       468 and 055 patent. So that was such a  
9       substantive response that Vizio doesn't have  
10      to worry about Sony bringing claims of  
11      infringement against, you know, some of its  
12      televisions, based on that -- based on that  
13      interrogatory response.

14      MR. McCURUM: I think the record of the  
15      actual supplementation speaks for itself on  
16      that point, so we don't need to get into that  
17      any further.

18      The other issue we talked about  
19      already was with Media Tech. We asked you if  
20      you folks are planning to subpoena Media Tech.  
21      I am not sure I got a clear answer on that.

22      Is that in Sony's plans or not?

23      MR. PEASE: It's my understanding Sony  
24      does intend to seek discovery from Media Tech.

25      MR. McCURUM: You don't know if that's

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2       through subpoena or some other informal means?

3       MR. PEASE: Or a different procedure  
4       means.

5       MR. McCRUM: What other procedural means  
6       are available, Tom?

7       MR. PEASE: Well, there's letters of  
8       rogatory, and other procedural avenues  
9       available to us.

10       My understanding is Sony is  
11       considering those avenues.

12       MR. McCRUM: Let's move on to the next  
13       issue in the various letters, which is the  
14       issue about expert discovery and expert  
15       reports.

16       And I know, Todd, that you indicate  
17       in your letter that you don't think it's  
18       appropriate or proper for us to be discussing  
19       that today because it wasn't sufficiently  
20       raised in my letter, but I'd like to make a  
21       proposal anyway.

22       I am not asking you for a response  
23       today, but you have offered to consider this  
24       issue and talk about it more next week, and  
25       that would be fine by us, but just to get the

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2       discussion rolling, our position on this --  
3       our proposal, anyway, is that we exchange  
4       opening expert reports on November 2nd, and  
5       that we exchange rebuttal reports on  
6       November 30th, and then we would do expert  
7       depositions in the month of December, and  
8       quite honestly, I don't know that there is --  
9       I don't know of any other way to do this,  
10      given the schedule because we obviously can't  
11      do it any later than that because we have got  
12      a trial in January. But we are willing to  
13      consider doing these earlier, if that's -- you  
14      know, if Sony would prefer. Go ahead.

15      MR. PEASE: Tom Pease here.

16             Yeah, we'll consider that and get  
17      back to you. I think we'll take a look at the  
18      court's Order of specifics of what the court  
19      said, and consider that, along with the other  
20      proposals you had made regarding limiting  
21      Claim Charts and the like.

22      MR. MCCRUM: This is Ryan again. The  
23      reason I put it in here was I didn't -- based  
24      on past correspondence, it wasn't even clear  
25      to me whether or not Sony was going to be

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2       willing to engage in formal expert reports and  
3       discovery. So that's what I wanted to talk  
4       about today. I put it in there to gauge  
5       your -- take your temperature on your position  
6       on that. And I mean, I wanted -- my plan  
7       today was to figure out whether or not that  
8       was even something that Sony was willing to  
9       do.

10       MR. PEASE: This is Tom again.

11               We will talk to the client about  
12       that and take a look at the Order again, and  
13       we'll advance those discussions.

14       MR. McCRUM: Okay. Do you guys have a  
15       date next week where you are available for  
16       this?

17       MR. PEASE: I don't know off the top of  
18       my head. Why don't we revisit it, if you want  
19       to give me a call early next week, we can work  
20       something out. My schedule is in flux right  
21       now.

22       MR. McCRUM: Okay. The other thing that  
23       we had in here in connection with that was our  
24       proposal to limit the number of asserted  
25       claims.



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2               And as we stated in our letter, our  
3       proposal would be to limit the number of  
4       asserted claims to three per patent for a  
5       total of 30, and Vizio is proposing that Sony  
6       be required to do that by September 1.

7               Do you have any reaction to that?

8               MR. PEASE: We'll give it some thought.

9       I think you said in your letter it was  
10      unreasonable to have a hundred patent claims.  
11      I don't know that there is anything inherently  
12      unreasonable about a hundred patent claims. I  
13      do agree with you to the extent we can cut  
14      down the number of patent claims it probably  
15      makes sense.

16              Three claims per patent does seem  
17      somewhat arbitrary. It might make some sense  
18      for some patents, not for others. But, you  
19      know, as we continue to get discovery, as the  
20      parties refine their positions, as we go  
21      forward, you know, it should be easier for the  
22      parties to determine whether a three claim per  
23      patent limit makes sense, or whether it should  
24      be more or less than that and come to some  
25      agreement on that.

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2           MR. McCrum: Okay. Well, I don't mean to  
3 be too pushy on this issue, but we do need an  
4 answer on this because this is an issue that  
5 we have had before Judge Klausner in the past  
6 where there was relief granted for limiting  
7 the number of asserted claims.

8           In fact, this has been -- I wouldn't  
9 say -- I don't know how I would characterize  
10 it, but this is an issue that has come up in  
11 courts in our practice a number of times, and  
12 the courts have been willing to limit the  
13 number of asserted claims to -- to fewer than  
14 what we're proposing here, and at an earlier  
15 stage of the litigation than what we're  
16 proposing here.

17           So I think because, you know, we're  
18 moving ahead so quickly, and we have some very  
19 tight deadlines, and we have got a trial date  
20 so early, we need to do this quickly.

21           If we're going to do expert reports,  
22 I think latest we can do them is November 2nd,  
23 and we have got to give our experts enough  
24 time to focus on the claims that are really  
25 going to be at issue.

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2               And so I really want to do this, you  
3 know, our proposal again is by September 1 to  
4 limit the number of claims to three per  
5 patent, and so I would ask that you guys get  
6 back to us, you know, by next week with an  
7 answer on whether or not that is acceptable  
8 because, again, I am not trying to be bullish  
9 here, but this is an issue that we would like  
10 to get before this judge by the following week  
11 if we can't resolve it by next week.

12       MR. PEASE: We'll give it some thought.  
13 We will talk to our client. We'll give it  
14 some thought, and we can discuss it more fully  
15 next week.

16       MR. McCRUM: Okay. This is Ryan McCrum  
17 again.

18               Let's move on to interrogatory  
19 No. 19. As you know, that interrogatory seeks  
20 Sony's bases for denying certain paragraphs of  
21 Vizio's trade, libel and disparagement claims.

22               Todd, in your letter from last night  
23 you offered to explain or elaborate on Sony's  
24 reasons for standing on its objections, and I  
25 am interested in hearing what you have to say

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2       on that.

3       MR. KENNEDY: I do have a couple of case  
4       cites that I can give to you, and I think the  
5       most efficient way is probably for me to give  
6       you the cites, and then you can review them  
7       and, you know, see whether you agree that the  
8       interrogatory is improper.

9       MR. McCRUM: Okay. Could you do me a  
10      favor, e-mail them to me. I know we have this  
11      transcribed, but I don't know when we're going  
12      to get the transcript, and I prefer to get the  
13      right ones, rather than missing a number here  
14      or there.

15      MR. KENNEDY: Sure, I'll do that as soon  
16      as this conference is over.

17      MR. PEASE: Hey, Ryan, this is Tom. I  
18      think I can give you a one-sentence  
19      explanation of our position on it.

20             I don't know the cites off the top  
21      of my head. Todd can send them to us later.

22             In a nutshell our position is that  
23      this interrogatory is drafted improperly as a  
24      matter of law in that it seeks all the bases  
25      with respect to all those different paragraphs

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2       relating to the trade, libel, disparagement  
3       claims. We have got case law support for  
4       that. That's what Todd is going to send to  
5       you after this call is over.

6               Although we're not obligated to do  
7       so, you know, we're not unwilling to disclose  
8       information relating to Sony's position with  
9       respect to those trade, libel and  
10      disparagement claims. So it's now Friday. If  
11      you guys wanted to revise that interrogatory  
12      to cut it down, make it more specific, you  
13      know, by Monday or Tuesday, for example, we'd  
14      be willing to answer that interrogatory, I  
15      think as long as it's reasonable, within let's  
16      say 14 days. So you don't have to answer that  
17      yet, take a look at the cites Todd sends to  
18      you, let us know if you agree and whether you  
19      think it is something you could revise, but  
20      our position is that it asks for so much  
21      information, and it is so broad, you know,  
22      it's the equivalent of many, many, many  
23      interrogatories, and as such we have case law  
24      support that says we don't need to answer a  
25      question like that.

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2       MR. McCRUM: The objection really is to  
3 you think that it is actually more than --  
4 it's multiple interrogatories?

5       MR. PEASE: I think that's a part of it.  
6 The overall scope, it's essentially asking us  
7 to lay out on paper, you know, our entire case  
8 with respect to many, many, many different  
9 paragraphs set forth in our Answer. You know,  
10 we looked into it, and there is case law that  
11 says that's not a proper interrogatory.

12           But like I said, we are perfectly  
13 willing to disclose information concerning  
14 Sony's position relating to those Vizio  
15 claims, and if you can come up with something,  
16 you know, another more limited interrogatory  
17 on the same topics, we'd be willing to answer  
18 that within a limited period of time.

19           You know, we're not going to say:  
20 You need to start counting the time period  
21 over again and give us 30 days. We could do  
22 it in less than 14 days.

23       MR. McCRUM: Okay.

24       MR. PEASE: That's all, just consider it.

25       MR. McCRUM: We'll definitely consider

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2       it. By representing that we'll consider it, I  
3       am not agreeing by any means that I think our  
4       interrogatory has issues, especially given the  
5       interrogatories that both parties have been  
6       serving in this case relating to hundreds of  
7       products and hundreds of patent claims and,  
8       you know, hundreds of pieces of prior art and  
9       things like that.

10               I, quite frankly, I haven't looked  
11       at the case law that you're referring to, but  
12       I can think off the top of my head at least of  
13       four or five interrogatories served on both  
14       sides here that are in my view far more broad  
15       and far more demanding than this one, where  
16       this resistance to answer has not been raised  
17       or brought up.

18               So I'll look -- I am glad to look at  
19       case cites that you have. I am glad to  
20       consider your proposal. I appreciate the  
21       proposal. And we can get back to you, but the  
22       last comment on this is either now or maybe in  
23       your e-mail, Todd, if you could give me an  
24       indication as to in what ways you would like  
25       to see us narrow this because, you know, right

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2       now I am not certain what it is that you're  
3       looking for, how you want us to change this,  
4       and I'd like some guidance from you folks if  
5       we could get that.

6               The last thing I want is to revise  
7       it, and then you guys come back to me and say,  
8       "Well, you know, this isn't any better."

9       MR. KENNEDY: I am pretty confident that  
10      after you review these cases that you won't  
11      need any further guidance.

12      MR. McCRUM: Okay.

13              Anything more on that one?

14      MR. PEASE: Not from our end.

15      MR. McCRUM: Why don't we move to  
16      interrogatory No. 20.

17              As you are all well aware Sony  
18      served an interrogatory asking us to set forth  
19      our invalidity contentions for each of the  
20      more than 100 asserted claims of each of the  
21      10 asserted patents, and Vizio went through,  
22      has analyzed a lot of prior art, selected the  
23      references that it believes invalidate the  
24      Sony asserted patents, provided detailed Claim  
25      Charts on a limitation-by-limitation basis,



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2       indicating where within those prior art  
3       references Vizio contends that each limitation  
4       is found.

5               And so we have now served  
6       interrogatory No. 20 seeking Sony's validity  
7       contentions with regard to that prior art.  
8       And you folks did not provide an answer.

9               Now I understand that you are now  
10      agreeing to provide an answer by August 3rd,  
11      and I am curious as to what type of answer we  
12      can expect because the interrogatory asks you  
13      to go through and provide a Claim Chart and  
14      indicate for each limitation whether or not --  
15      what specifically limitations you allege are  
16      not in each of these pieces of prior art, and  
17      your reasons why, and is that the type of  
18      Claim Chart we can expect to receive on  
19      August 3rd?

20              MR. PEASE: This is Tom.

21              Yeah, we are going to provide a  
22      chart, and it is going to be I think  
23      comparable to the type of response that Vizio  
24      provided, you know, on noninfringement. You  
25      went through and identified the limitations

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2       that were, in your view, met by the accused  
3       products. We're preparing a chart of similar  
4       scope and content in response to this  
5       interrogatory.

6               And I will ask, are you planning to  
7       supplement the corresponding Vizio  
8       interrogatory before August 3rd to identify  
9       additional references or withdraw references?

10       MR. McCURUM: I don't know the answer to  
11       that, Tom, but, I mean, we obviously dispute  
12       the reasons why you didn't provide a response  
13       when it was due. I mean, the way that we set  
14       these out is any new references that we have  
15       added to these charts that we have since  
16       uncovered, we simply add another letter to the  
17       chart and indicate what that prior art is.

18               And so there was no reason why we  
19       shouldn't have received a response with regard  
20       to the references that we had originally  
21       identified. So, you know, I don't expect that  
22       we are going to be supplementing again by  
23       August 3rd. If you don't want us to, we'll  
24       wait, you know --

25       MR. PEASE: No, no, it's not that. It's

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2       just the last time around our responses to  
3       interrogatory No. 20 were due on the Monday  
4       after the 4th of July weekend. Our offices  
5       were closed on Friday, July 3rd. Late in the  
6       evening of July 3rd you served a supplemental  
7       response to our interrogatory 19, and we  
8       didn't have any explanation of what material  
9       had been added or taken away at that point.  
10      There was no red line. And, in fact, I don't  
11      think there has been a red line provided even  
12      since then.

13             And based on your explanation, we're  
14      proceeding without the benefit of a red line.  
15      And the response we're preparing, and we will  
16      serve on August 3 -- I suppose we will serve  
17      it whether you supplement or not -- but if you  
18      do supplement and do withdraw references, we'd  
19      like you to point that out to us, you know,  
20      either in the supplement itself or by e-mail  
21      or by some means, so that we're not providing  
22      analysis of references that are no longer  
23      being asserted by Vizio with respect to a  
24      particular Claim Chart.

25             MR. MCCRUM: We'll let you know if we

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2       withdraw any, but moving forward, our plan --  
3       and our plan was, for the convenience of Sony,  
4       just to make it as easy as possible, when  
5       we're adding references we're literally just  
6       putting new letters in.

7               So if we do supplement moving  
8       forward, we'll continue with that approach of  
9       just adding the new letters, so it's clear,  
10      you know. If the last supplement left off at  
11      letter C, any new references will start with  
12      letter D.

13             The other comment I want to make is  
14      you folks have complained about our  
15      noninfringement contentions, and, in fact,  
16      asked for a meet-and-confer on that, and now,  
17      if I understand you correctly, your plan is to  
18      provide a response that is similar to, in the  
19      same format as our noninfringement  
20      contentions.

21             So, you know, what is Sony's  
22      position on our noninfringement contentions?  
23      Is it your position that that type of response  
24      is adequate, or, you know -- we have asked  
25      you: Give us the identification of the

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2       limitations that are missing, and the  
3       interrogatory also asks for an explanation as  
4       to why Sony contends that they are missing.  
5       But it sounds like your plan is to just list  
6       the limitations that you contend are missing  
7       from the patents; is that correct, and if so,  
8       is Sony now of the position that that is an  
9       adequate response?

10       MR. PEASE: This is Tom again.

11               Number one, I think we should  
12       discuss Vizio's responses to Sony's  
13       interrogatories next week during the  
14       appropriate meet-and-confer for it, and you  
15       know, we're not going to play games here, you  
16       know, tit for tat.

17               What we have done in the time  
18       allotted to us is go through and provide Claim  
19       Charts and identify what is missing. If you  
20       think additional information needs to be set  
21       forth, you know, we'll consider that as we go  
22       forward, but, you know, we're not going to tie  
23       one side's answers to the -- your side's  
24       answers to the responses that we give.

25               We are going to discuss our position

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2       with respect to your noninfringement charts  
3       next week. You know, those were served a lot  
4       earlier in the case. You know, we have a  
5       separate set of issues with respect to them  
6       that we'll go through next week when we're  
7       prepared to do so.

8             MR. McCRUM: This is Ryan.

9             I appreciate and understand that the  
10       issues with regard to our respective discovery  
11       responses need to be dealt with separately,  
12       but I also think that it would be extremely  
13       unfair and inconsistent, as -- you know, when  
14       we have our meet-and-confer, to the extent it  
15       goes forward, you are telling us that our  
16       responses are inadequate, when -- if I am  
17       hearing you correctly -- you're proposing to  
18       do the same thing.

19            So I just want to make sure we're  
20       all on the same page here when we talk next  
21       week, to the extent that goes forward.

22            MR. KENNEDY: To an extent you're  
23       comparing apples and oranges. Validity and  
24       infringement are two completely different  
25       kinds of analysis. And the fact is that Vizio

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2       has a lot of information about how its own  
3       products work, and that contrasts with  
4       validity where both sides have equal access to  
5       the prior art.

6               So the kind of responses that you  
7       expect from Sony could be different from the  
8       kinds of responses that Sony legitimately  
9       expects from Vizio on infringement.

10       MR. McCRUM: Well, I quite frankly don't  
11       understand how it is that much different.  
12       It's -- you have got the set of claims, and  
13       you are reading something on those claims,  
14       whether it's a product or something disclosed  
15       in the prior art, it's the same type of  
16       analysis. So I don't agree that it's that --  
17       it is apples and oranges, as you suggest.

18               So we'll see what we get on  
19       August 3rd, and we can talk about this more  
20       next week, if that's something that you folks  
21       still want to move forward with.

22       MR. PEASE: Sounds good.

23               Is that everything you have?

24       MR. McCRUM: No, we have got two more  
25       issues I think will be relatively quick.

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2       Third-party subpoenas. You indicate that --

3               Todd, you indicated in your letter  
4       that you will be producing any information you  
5       have on those with your next major production.  
6       You know, we take issue with that for a couple  
7       of reasons.

8               Number one, we don't know when  
9       you're going to make your next, quote-unquote,  
10      "major production," and number two, I am not  
11      certain what you mean by "major production."  
12      So you know our position is that Sony should  
13      be providing any documents that it receives in  
14      response to those subpoenas, as well as any  
15      communications that Sony is having with  
16      these third parties, on a rolling basis as  
17      soon as they are received by Sony.

18              I don't think that it's fair for us  
19      to -- for you to have these documents or  
20      communications and to, you know, wait to  
21      produce them when you're making,  
22      quote-unquote, "major productions."

23              So we would ask that you, to the  
24      extent you have any of that stuff, you produce  
25      it to us immediately.



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2           MR. KENNEDY: I think Peter probably has  
3 a better idea of when the next production is  
4 going to be.

5           MR. KLIVENS: Ryan, actually a lot of  
6 that might have been -- this is a very minor  
7 point -- but I think we produced a document  
8 earlier, and then we reused that number. So  
9 we need to reproduce that. It was a  
10 single-page document that was in our  
11 interrogatory responses --

12          THE REPORTER: Wait, I'm having trouble  
13 understanding you.

14          MR. KLIVENS: We have produced a  
15 single-page document with some interrogatory  
16 responses in June, and we accidentally used  
17 that number. We're going to reproduce that  
18 number again.

19                 In this letter I think we wanted to  
20 avoid confusion by saying "the next  
21 production," so we said "major." And the  
22 major one, we are preparing some more  
23 documents. It will be by the end of the  
24 month. So if you want to know, that's what it  
25 is.

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2       MR. McCRUM: This is Ryan McCrum again.

3               Can we agree that moving forward  
4 with regard to third-party-produced documents  
5 that they will be produced within a reasonable  
6 time after receiving and processing them, and  
7 that we won't have to wait for some unknown  
8 time in the future to get them?

9       MR. KLIVENS: Yeah, I think "reasonable  
10 time" makes sense. That's agreeable.

11       MR. PEASE: This is Tom.

12               That, I think, is this the approach  
13 we have taken, and we assume you guys will do  
14 the same.

15       MR. McCRUM: Yeah, absolutely.

16               And then the other thing is to the  
17 extent that you have any communications with  
18 these third parties, either by letter or  
19 e-mail, we would expect that those would be  
20 included with the production.

21               Is that something that Sony is going  
22 to be producing as well?

23       MR. PEASE: Subject to objections, sure.

24       MR. KENNEDY: This is Todd.

25               Just to be clear, is that what Vizio

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2       is agreeing to do?

3       MR. McCRUM: Yeah, I mean, we haven't  
4       subpoenaed anybody yet.

5       MR. PEASE: This is Tom again.

6       Your question went beyond that. It  
7       was communications that you guys have had with  
8       third parties. So if you have been in contact  
9       with AmTran or Media Tech or other companies,  
10      you know, if we're going to produce that kind  
11      of communication, we expect Vizio to do the  
12      same.

13      MR. McCRUM: Well, you do -- you raise a  
14      good -- you raise an important issue that I  
15      was going to -- and you'll see I have raised  
16      in one of my letters that I am going to be  
17      sending out today -- and that is with regard  
18      to e-mail communications, and, Peter, in one  
19      of our prior meet-and-confers you referenced  
20      an agreement between the parties not to  
21      produce electronically maintained e-mails, and  
22      our understanding is that Jim Wamsley, and I  
23      think it was Ed DeFranco had reached that  
24      agreement, at least orally, and we have  
25      been -- we have been proceeding under that

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2       agreement. It seems that Sony has been  
3       proceeding under that agreement as well  
4       because we haven't seen any e-mail  
5       correspondence from the more than 20 listed  
6       inventors on the patents at issue, or other  
7       e-mail correspondence for that matter, other  
8       than the ones you produced relating to the  
9       standards that were already in the personal  
10      files of your people.

11               So I want to get -- I want to make  
12      sure everyone is clear on where we stand on  
13      this stuff.

14               Is the agreement that we are going  
15      to be producing e-mails or not producing  
16      e-mails? Our understanding is that we are  
17      not. Is that Sony's understanding?

18               MR. PEASE: This is Tom.

19               I actually need to get back to you  
20      on that. I know there have been different  
21      agreements for the different cases, and I  
22      don't recall, sitting here, what agreements we  
23      made specifically for this case, but we'll get  
24      back to you very early next week on that.  
25      Probably Monday.

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2       MR. McCRUM:   Okay.

3       MR. PEASE:   Maybe even today, but I would  
4   expect we would get back to you no later than  
5   Monday.

6       MR. McCRUM:   You'll see it's also the  
7   subject of my letter that I'll be sending out  
8   today, and I think the answer to your  
9   question, then, about whether or not the  
10   parties are going to be producing, you know,  
11   e-mails and things of that nature will, you  
12   know -- it will be -- it will depend on what  
13   the answer to that is.

14       And our position is that we have  
15   reached an agreement regarding e-mail  
16   correspondence.  And, like I said, I think  
17   that -- we thought that agreement was  
18   reflected in the fact that we had seen hardly  
19   any e-mails from Sony as well.

20       MR. KLIVENS:  One last point.  There are  
21   e-mails that have been produced, in terms of  
22   negotiations with other parties regarding the  
23   patents.  We have gotten a lot of those.

24       MR. McCRUM:   Right, I don't know, Peter,  
25   are those e-mails that were -- as you

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2       mentioned in the last meet-and-confer, were  
3       those e-mails that were printed out and that  
4       were in people's files, or did you guys go to  
5       the electronic files of those people and  
6       produce those?

7           MR. KLIVENS: We'd have to check. We can  
8       get back to you.

9           MR. MILLER: Peter, speak up a little  
10      bit, please.

11          MR. PEASE: We'd have to check on that,  
12      and we can get back to you in the context of  
13      getting back to you on Monday, as Tom said  
14      already.

15          MR. McCRUM: Okay, but as far as, you  
16      know, e-mails in electronic files like that  
17      from inventors, we haven't seen any of that.  
18      And you don't disagree with that, do you,  
19      Peter?

20          MR. KLIVENS: No, I don't disagree with  
21      that. But that's in large part because many  
22      of these are quite old.

23          MR. McCRUM: Let us know what your  
24      thoughts are on that next week, and we can  
25      revisit the issue about whether or not these

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2       things do, in fact, need to be produced, but  
3       with that said, I mean, to the extent that you  
4       have correspondence in non-e-mail form,  
5       letters and things like that, then we would  
6       ask that those obviously be produced.

7             MR. PEASE: Okay.

8             Is that everything?

9             MR. McCRUM: We have got one more thing,  
10       which is the Westinghouse documents. And,  
11       again, Todd's letter from last night indicated  
12       that Sony has now produced all the documents  
13       requested by Vizio from the Westinghouse  
14       litigation, and I didn't see a production  
15       letter. Maybe I missed it. Did you guys send  
16       one out?

17            MR. KLIVENS: I think it went out on the  
18       16th. Is that yesterday? You should have it  
19       by now.

20            MR. McCRUM: I think we have it. I think  
21       we just got it today. I touched base with  
22       Steve during the meet-and-confer here. He  
23       said we have got something come in today, but  
24       I didn't see a production letter that went  
25       along with it.

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2               You know, I wasn't aware of that  
3 until today, but obviously we haven't had a  
4 chance to look at that to see what is in  
5 there, but can you give us a sense of what is  
6 in there?

7               Does it include all the discovery  
8 requests and limited to nonconfidential  
9 information, or have you now obtained the  
10 consent of Westinghouse to produce  
11 confidential discovery responses?

12       MR. KLIVENS: This is Peter.

13              It contains confidential and  
14 nonconfidential. We did obtain consent  
15 quickly once we did it, as we said we would.

16       MR. McCRUM: Okay. It includes -- so it  
17 has got discovery responses, and to the extent  
18 there were any expert reports or anything,  
19 those are in there as well?

20       MR. KLIVENS: There were no expert  
21 reports in that litigation.

22       MR. McCRUM: All right. We will take a  
23 look at those.

24       MR. KENNEDY: Ryan, this is Todd. I  
25 wanted to clarify, you should have received



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2       that production cover letter via e-mail on  
3       Wednesday the 15th at about 9:20 p.m. Pacific.

4           MR. McCRUM: Okay. I must have missed  
5       it. I didn't see it come across the airwaves.  
6       Who was that from? From you or Peter?

7           MR. KLIVENS: Actually, from  
8       Heather Belville.

9           MR. CORR: Okay. This is Steve Corr.  
10       Just to be clear, the disk I received today,  
11       Peter, is the disk that contains those  
12       materials?

13           MR. KLIVENS: That's correct. There's a  
14       few other things on there too, but that's the  
15       Westinghouse stuff.

16           MR. CORR: Okay.

17           MR. McCRUM: This is Ryan.

18           I think that's everything that I had  
19       on our agenda for the day.

20           (The Meet and Confer was  
21       concluded at 12:53 p.m.)

22                   \*   \*   \*

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OF

CERTIFIED SHORTHAND REPORTER

\* \* \* \* \*

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\_\_\_\_\_  
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